

**Monday, May 22, 2006**

The Board met at its offices at 450 N Street, Sacramento, at 9:40 a.m., with Mr. Leonard and Ms. Yee present, and at the following teleconference locations: 660 S. Figueroa St., Suite 2050, Los Angeles, with Mr. Chiang, Chair, present and Ms. Mandel present on behalf of Mr. Westly in accordance with Government Code section 7.9; and, 100 West Broadway, Suite 300, Long Beach, with Mr. Parrish, Vice Chair, present.

### **OPEN SESSION**

Kristine Cazadd, Chief Counsel, made introductory remarks regarding the requirements leading to the calling of the Special Board Meeting. Ms. Cazadd then introduced the following finding for a Board vote: The Board finds that immediate action is required to prevent substantial hardship to the Board. The Board faces a deadline of May 22, 2006, in pending litigation, which is before the next regularly scheduled Board meeting of June 13, 2006. The Board must decide whether or not to pursue an appeal in *Cardinal Health 110, Inc. v. State Board of Equalization of the State of California*. If the Board fails to pursue an appeal by the statutory deadline, the Board will lose its rights to pursue the appeal.

Action: Upon motion of Mr. Parrish, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board adopted the finding as suggested by Ms. Cazadd.

### **ANNOUNCEMENT OF CLOSED SESSION**

The Board recessed at 9:45 a.m. and reconvened immediately in closed session with Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel present.

### **CLOSED SESSION**

The Board met to discuss pending litigation: *Cardinal Health 110 v. State Board of Equalization of the State of California*, San Francisco Superior Court Case No. C GC04-437052 (Gov. Code § 11126(e)).

The Board recessed at 10:15 a.m. and reconvened immediately in open session with Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel present.

The Board adjourned at 10:16 a.m.

*The foregoing minutes are adopted by the Board on July 18, 2006.*